

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 3/12/2015

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

David Westfall DBA Hideaways Lounge

Exact Wording for the Agenda:

Resolution authorizing the City Attorney to seek a forfeiture of the surety bond issued by Platte River Insurance Company.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

More than thirty (30) days have passed since the issuance of the Notice of Final Assessment to David Westfall DBA Hideaways Lounge reflecting that David Westfall DBA Hideaways Lounge is indebted to the City of Huntsville for past-due liquor and sales taxes, interest and penalties in the amount of \$1,674.40 for the period in which said bond was in effect. David Westfall DBA Hideaways Lounge has not responded to the Notice of Final Assessment.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Select...

Department Head: 

Date: 2-23-15

RESOLUTION NO. 15-_____

WHEREAS, Platte River Insurance Company issued a surety bond in the amount of EIGHT THOUSAND AND 00/100 DOLLARS (\$8,000.00) for the payment of liquor and other taxes to David Westfall DBA Hideaways Lounge.

WHEREAS, the Principal failed to pay taxes in the amount of ONE THOUSAND SIX HUNDRED SEVENTY FOUR AND 40/100 DOLLARS (\$1,674.40) for the taxing period of March through September 2014 and interest through December 2014; and

WHEREAS, the City Clerk-Treasurer's Office has made every possible effort to collect the taxes due from the Principal.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Huntsville, Alabama, that the City Attorney's Office is hereby authorized, requested, and directed to seek a forfeiture of the surety bond issued by Platte River Insurance Company; and

BE IT FURTHER RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor, upon payment by Platte River Insurance Company and in accordance with its bond, is hereby authorized, requested, and directed to execute a release and assignment agreement substantially in words and figures as Attachment "A", an executed copy of said document being permanently kept on file in the Office of the City Clerk-Treasurer of the City of Huntsville, Alabama.

ADOPTED this the 12th day of March, 2015.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 12th day of March, 2015.

Mayor of the City of
Huntsville, Alabama

ATTACHMENT "A"

KNOW ALL MEN BY THESE PRESENTS that the undersigned, for the sole consideration of ONE THOUSAND SIX HUNDRED SEVENTY FOUR AND 40/100 DOLLARS (\$1,674.40) to be paid by Platte River Insurance Company from the bond of David Westfall DBA Hideaways Lounge (Bond Number 41274180), to the City of Huntsville, Alabama, releases and discharges Platte River Insurance Company from the obligation of the bond to the extent of ONE THOUSAND SIX HUNDRED SEVENTY FOUR AND 40/100 DOLLARS (\$1,674.40) received for the taxing period of March through September 2014 and interest through December 2014.

In further consideration of payment of ONE THOUSAND SIX HUNDRED SEVENTY FOUR AND 40/100 DOLLARS (\$1,674.40) of the above noted bond, the City of Huntsville, Alabama, hereby assigns to Platte River Insurance Company any claim the City of Huntsville, Alabama, may have against David Westfall DBA Hideaways Lounge, for delinquent or deficient taxes or license fees to the extent of the remitted amount of ONE THOUSAND SIX HUNDRED SEVENTY FOUR AND 40/100 DOLLARS (\$1,674.40) for the taxing period of March through September 2014 and interest through December 2014. The City of Huntsville, Alabama, retains any claim it may have against David Westfall DBA Hideaways Lounge for delinquent or deficient taxes or license fees greater than the amount of ONE THOUSAND SIX HUNDRED SEVENTY FOUR AND 40/100 DOLLARS (\$1,674.40) received from Platte River Insurance Company for the taxing period of March through September 2014 and interest through December 2014.

IN WITNESS WHEREOF, the City of Huntsville, Alabama, has caused this document to be executed by its duly sworn officer this the 12th day of March, 2015.

CITY OF HUNTSVILLE, ALABAMA

BY: _____
Tommy Battle
Its Mayor

ATTEST:

By: _____
Charles E. Hagood
Its Clerk -Treasurer